

April 13, 2009

Ms. Anna Gomez  
Deputy Assistant Secretary  
National Telecommunications  
and Information Administration  
US Department of Commerce  
1401 Constitution Avenue, NW  
Room 4701  
Washington, DC 20230

Mr. Michael Copps  
Acting Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Mr. James R. Newby  
Acting Administrator  
Rural Utilities Service  
U.S. Department of Agriculture  
1400 Independence Avenue, SW  
Room 5801-S, Stop 3201  
Washington, DC 20250

Dear Deputy Assistant Secretary Gomez, Acting Chairman Copps, and Acting Administrator Newby:

Since December 2007, Connect Ohio, a non-profit public-private partnership, has been working to expand broadband Internet access and to dramatically improve the use of technology across the state. To this end, Connect Ohio has partnered with telecommunications providers, information technology companies, public agencies, business leaders, community leaders, researchers and universities in an effort to close the digital divide. As an organization, we have been committed to helping improve technology deployment, use, and literacy for all of Ohio's residents and businesses. We have implemented effective grass-roots strategies, developed community involvement to increase sustained broadband adoption through e-Community Leadership teams, and established verifiable results through our broadband mapping capabilities. Connect Ohio aspires to work in the trenches with other Ohio-based organizations to bridge the digital divide and increase opportunities that are made available when people have the ability and desire to connect.

Connect Ohio appreciates the opportunity to provide comments to the NTIA and has separated our remarks into a background commentary and a section providing specific suggestions, based upon our field experience, to help ensure the most productive use of the historic spending about to occur.

BACKGROUND:

One of the key goals of Connect Ohio has been to establish eCommunity Leadership Teams in every county throughout the state. This focus on demand stimulation, along with increasing broadband availability, has ensured that broadband growth will continue to be sustainable. Sustainable growth is important since there are many areas in Ohio where broadband availability is high, yet adoption levels continue to lag behind.

Residents in these areas aren't facing availability obstacles; rather there are other challenges that must be overcome before they can benefit from home broadband service. A recent study by Connect Ohio shows that statewide, more than one-half of all adults who do not have home broadband service believe they do not need broadband, or feel they do not know enough about broadband to benefit from it.<sup>1</sup>

It is for this reason that Connect Ohio has made demand stimulation, through the eCommunity process, such a priority. Our intent is that such grass-roots efforts will increase broadband availability while simultaneously ensuring that residents know about the opportunities available to them through home broadband access. This combination has given many Ohio residents the ability and the desire to embrace the benefits that broadband provides.

For example, in Seneca County, Connect Ohio provided a new computer lab to a small K-12 school, which had not been able to provide adequate technology tools to its 300 students. A small number of students, who had not had access to technology in their homes, were awarded new computers based upon their community involvement, academic achievement, and leadership capability. By providing access to students in their school environment and by extending that access further into the community, a number of benefits were realized, including:

- The creation of new curriculum, centered around the make-up of older equipment, which could now be disassembled, explored, and understood in a laboratory setting,
- The creation of new curriculum, centered on website development by students which offered citizens a portal to community services via the Internet,
- Improved awareness of technology's benefits through a public announcement of the receipt, benefits, and value of the new computers and the new connections to broadband provided,
- Extended value by offering the opportunity for students' families to participate in business creation, job seeking, distance learning, and other benefits of new broadband service in their homes.

These successes are mirrored across the state as businesses, schools, libraries, and homes adopt broadband technology and find the ability to address new markets, create new jobs, offer extended learning opportunities, and widen the availability of economic, educational, and health care opportunities in every community.

Additionally, the supply side of the market must also be considered, since increasing the demand for technology across Ohio will not help anyone unless broadband is also made *available* to every household and business. In an effort to encourage broadband build-out, Connect Ohio has spent the past year working with over 70 DSL, cable, wireless, and fiber broadband providers from across the state. By reaching out to this wide array of broadband service providers, Connect Ohio has been able to bring together one of the nation's largest broadband-building teams who have voluntarily

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<sup>1</sup> Source: March 2008 Connect Ohio® Residential Technology Assessment

made their coverage data available for the benefit of all Ohioans. The primary goal of Connect Ohio's mapping is to pinpoint areas of Ohio that do not currently have access to broadband technology. The maps also show areas where broadband service is currently available as well as the household density of all of the underserved areas.

Mapping broadband availability can be conducted using different methods, but our experience shows that some methods are more effective than others. Connect Ohio's approach has been to map broadband coverage down to a household level, which allows businesses and residents to verify which broadband providers offer service at their specific location. When mapping broadband availability, the more the data is aggregated – such as at a geographic unit level like Census units or postal areas like nine-digit ZIP codes – the more difficult it becomes to identify where the broadband gaps truly are, particularly in rural areas. Mapping broadband and aggregating to any level other than the household level opens the maps up to a severe overestimation bias in their data. This overestimation would make it nearly impossible to track progress. However, household-level data allows residents to accurately confirm which broadband providers serve their area, allows providers to see the truly unserved areas into which they can successfully expand, and lets Ohio policymakers track the effectiveness of the broadband expansion initiative. To create this picture, coverage data from every participating provider is 100% transparent, and is disclosed on our online interactive map; the only information that is not disclosed is the physical location where proprietary infrastructure is located.

Besides information from broadband providers throughout the state, Connect Ohio also relies on feedback from Ohioans to perfect the accuracy of our broadband inventory maps. We make our maps available to the public at our interactive website ([www.connectohio.org](http://www.connectohio.org)). We respond to all inquiries and incorporate consumer feedback into our maps, which ensures the continuous reliability of our maps. Connect Ohio's mapping efforts represent a useful, transparent, and verifiable assessment of current broadband services, which allows us to present, to both public and private entities, the full picture of broadband issues that need to be addressed. This need for reliable and transparent broadband information is what prompted Ohio to take steps to develop the Connect Ohio partnership.

Ohio took a forward-looking, proactive approach to increasing broadband adoption with the creation of Connect Ohio in December of 2007. At the kick-off for Connect Ohio, Governor Ted Strickland said “Under the Connect Ohio strategy, broadband providers will realize new possibilities in expansion and Ohioans will have quick and affordable access to high-speed Internet service . . . This, in turn, brings the state closer to establishing the technological infrastructure we need to be successful and competitive.”<sup>2</sup> Ohio is not the only state that has made this sort of commitment to expanding broadband using methods that meet criteria set forth within the P.L. 110-385, the Broadband Data Improvement Act (BDIA). That is why we believe that states that have already committed pre-BDIA funding should be allowed to count those earlier contributions toward the 20% matching funds required from states. Otherwise, the NTIA will require that Ohio contribute the original 100% from its earlier broadband initiative, plus an additional 20% to receive Federal assistance. This will hinder Ohio's ability to use Federal funds to maintain its successful broadband stimulation program; in essence, Ohio will be punished for having already invested in its own successful broadband initiative.

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<sup>2</sup> [http://connectohio.org/news/News\\_Releases.php](http://connectohio.org/news/News_Releases.php)

Evidence of Connect Ohio's success can be seen in the thousands of households who now have access to broadband who lacked that access prior to the start of the Connect Ohio initiative. Since June 2008, when Connect Ohio produced our first online broadband availability map, service to over 344,000 new households has been identified, while new service has been provided to thousands of households through the implementation of plans enabled through our eCommunity Strategy process.<sup>3</sup>

This growth in broadband availability has not come easily, nor have the barriers to broadband adoption, such as the perceived lack of need for home broadband service, proven to have quick fixes. That is why Connect Ohio believes that the NTIA should encourage multiple-year grants to attack these problems. The NTIA has stated repeatedly that its goal is to encourage sustainable adoption of broadband service, not spend its money on programs that might not be able to continue after their first year. As such, we believe that the best way to ensure that a program will be sustainable is to encourage grants to well-established organizations that will help support broadband growth and adoption over the long run, rather than requiring organizations to fight for their funding every year.

Connect Ohio is excited about the opportunities for the Broadband Data Improvement Act (BDIA) to soon make broadband access and adoption a reality for the millions of Americans who do not currently have broadband service. We are also grateful for this opportunity to offer these recommendations, based on a year and a half of on-the-ground experience, as the NTIA makes its decisions regarding how BDIA grants will be distributed. As our work continues, and as the ARRA empowers expansion initiatives to grow across the country, we feel that the combination of household-level mapping and demand stimulation will make an untold impact on Americans' lives for years to come.

Listed below are specific recommendations, based upon our dealings with issues of importance to Ohio and other states:

- 1) FACT-BASED REQUESTS. It is important that expenditures from the ARRA be made in tandem with objective data as a backdrop. Projects which have incorporated detailed broadband mapping and statistically significant survey results should be given priority. In particular, projects which aim to enable the *unserved* populace should be weighted based upon a complete and accurate mapping of available broadband service within the project area, and priority should be given to projects which spend money wisely and efficiently, as measured by the per household cost to reach those without broadband service.
- 2) PRIORITY BASED ON VALUE. Projects aiming to provide better access to *underserved* households should be backed up by data, particular to the area, which details the way in which the households are underserved. A list of measurable criteria should be established, each with a weighting factor based upon objective and statistically significant research measuring barriers to adoption. These factors should include: Awareness of broadband's benefits; Affordability of service; Access to and ownership of a capable computer within the household; and Availability of service at the target location. Funds expended should provide

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<sup>3</sup> Connect Ohio Statewide Broadband Inventory Map, last updated March 31, 2009.

relief to the particular, measured, barriers in proportion to their prevalence. For example, where service is available, but not affordable, priority should be given to projects that provide greater affordability rather than the installation of new service which does not address the requisite need.

- 3) SUSTAINABILITY. Projects which are managed by established entities should receive priority funding, since they have a long-term incentive to sustain reliable, affordable, beneficial service beyond the initial installation of infrastructure. A scoring matrix which includes factoring of the following variables should be adopted: experience, past profitability, proximity of established service area to proposed project area, number of satisfied customers vs. proposed new customers (scalability), and community involvement. Any verifiable customer service credentials, positive or negative, such as listing with the Better Business Bureau, complaints to the Attorney General's office, etc. should be taken into account.
- 4) AGGREGATION OF PROJECTS. Many small projects will provide the most finely-tuned results within a community. These tailored projects should not be lost in the volume of requests for ARRA funding. Rather, each state should identify regional clearinghouses for the reduction of duplicate projects, whether geared toward the unserved or underserved populace. Significantly more efficient spending will occur if specific borders are identified within the nation and within states. While states make up a clear geographic designation, regional aggregation of requests will ensure that more beneficial projects are identified, advocated, enabled, and deployed. Local Development Districts, Congressional Districts, Regional Planning Agencies, or other geographically distinct government or non-profit aggregation pools should be established by each state in order to provide subdivisions within each state which are empowered to oversee the minimization of overlap within its borders. It is important that these areas work together on projects which might overlap their borders, and use objective criteria to score the efficacy, value, and likelihood of success of each project submitted for deployment within its reach. The state should approve the boundaries and the scoring criteria for each subdivision prior to grants being made, but on a deadline, and the NTIA should have the right to approve or deny the specific entities which serve each geographic area. The NTIA should waste no time in approving these aggregation entities, and should use objective scoring criteria to ensure expediency and equity. In spite of the creation of these regional project aggregation entities, it is important that companies still have the opportunity to apply directly to the NTIA for funding if they feel that the interests of the community would be better served.
- 5) MATCH FUNDS. Where matching funds are required, there should be an accommodation given to states which have already spent taxpayer money to provide the elements of the Broadband Data Improvement Act. It is important that investments made in mapping, research, grassroots planning, and adoption campaigns not be ignored. Expenditures made within 18 months of the grant request should be recognized as current expenditures and counted toward any required match funding.
- 6) DEMAND CREATION. While reaching the unserved should remain a top priority across the nation, it is equally important to incorporate projects that deal with the issue of broadband adoption. In Ohio, approximately 5 million residents do not adopt broadband service, while less than 10 percent of these non-adopters do not have service available to them. Programs that increase affordability, increase awareness of broadband's benefits, and which provide new ways for non-adopters to obtain required equipment should be funded well beyond the \$200 million for Community Computing Centers and the \$250 million for Sustainable Adoption programs. Much of the money spent in urban areas should be spent

on programs which encourage wider use of technology which is already available, while “last-mile” service should be the priority wherever service has been clearly identified as unavailable.

NTIA should implement P.L. 110-385 and announce funding availability through the State Broadband Data and Development grant program as quickly as possible. BDIA elements such as mapping, research, and community planning are critical and complementary activities to the Broadband Technology Opportunities Programs. The NTIA has an allocation of up to \$350 million to be granted to states through the State Broadband Data and Development program, and the comprehensive, state-wide broadband initiatives created by this funding can help ensure the best possible use of broadband stimulus funding.

It is important that we take full advantage of this historic investment being made by the Federal government. To this end, funding should be provided in conjunction with a prudent level of fact-finding, planning, and management to ensure that the desired result is realized. It is critical to immediately stimulate the economy through this spending, but it is also wise to consider the long-term benefits of proper spending on broadband infrastructure. Connected Nation’s research indicates that if the U.S. broadband adoption rate can increase by seven percentage points, the annual economic benefit will be \$134 billion.<sup>4</sup>

The opportunity ahead of us is fantastic. America’s ability to see the opportunity, to plan for effective deployment, and to carefully but expeditiously invest in wider availability and use of technology is critical to its future as a worldwide economic leader. Ohio has begun the work and has outlined a process for success that can be mirrored across the nation. Connect Ohio is proud to be at the forefront of this technology mission, and is anxious to share our success with others as we work together to become not only the Broadband State, but the Broadband Nation of tomorrow.

Sincerely,  
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<sup>4</sup> “The Economic Impact of Stimulating Broadband Nationally” --  
[http://www.connectednation.org/research/economic\\_impact\\_study/index.php](http://www.connectednation.org/research/economic_impact_study/index.php)